4. Housing Resources

This section describes and analyzes resources available for development, rehabilitation, and preservation of housing in the City of Long Beach. This includes the availability of land resources and the City's ability to satisfy its share of the region's future housing needs, financial resources available to support the provision of affordable housing, and administrative resources available to assist in implementing the City's housing programs.

A. Availability of Sites for Housing

An important component of Long Beach's Housing Element is the identification of sites for future residential development, and evaluation of the adequacy of these sites in fulfilling the City's share of regional housing needs as determined by SCAG. City staff has identified 16 sites, primarily along major corridors, where residential development can occur in the future, as presented below in Chart 46 and Figure 9. None of the vacant sites proposed to address the RHNA are in the Coastal Zone.

Chart 46: Inventory of Residential Sites

Site	Name	Area- acres	Zoning	Density (du/ac)	Affordable -Level	Unit Capacity
1	West Gateway	10.7	PD-30	54	L/VL	587

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2	Santa Fe Ave & Spring	4.9	R-4-R	30	L/VL	148
3	Elm Ave. & Anaheim	1.0	PD29/R-4-U	108	L/VL	112
4	Locust Ave & 14th St	0.9	PD-29/R-4- U	108	L/VL	107
5	Long Beach & Del Amo Bl	2.3	CCN/R-4-N	44	L/VL	105
6	Long Beach & 31st Street	2.0	PD-29/R-4- N	44	L/VL	91
7	Atlantic Ave & Spring St	3.3	R-3-4	25	MOD	80
8	Pacific Ave & 16th St	1.2	R-4-N	44	L/VL	53
9	Alamitos Ave & 4th St	0.7	PD-30	48	L/VL	37
1 0	Long Beach & Burnett St	0.7	PD-29/R-4- N	44	L/VL	35
1 1	Elm Ave & Anaheim St W	0.5	PD-29/R-4- U	44	L/VL	23
1 2	Locust Ave & 12th St	0.5	R-4-N	36	L/VL	18
1 3	Long Beach / Eagle St	0.4	PD-29/R-4- N	36	L/VL	18
1 4	Long Beach / 10 th St	0.3	PD-29/R-4- U	44	L/VL	16
1 5	Atlantic Ave & 19 th St.	0.5	PD-25/R-3- T	18	MOD	10
1 6	Lewis Ave & 11 th St	0.3	R-4-R	29	L/VL	8

Source: Department of Planning and Building, City of Long Beach, 2000

INSERT MAP

Residential Projects in Process.

Eighteen residential projects are currently in the planning or construction stages. As illustrated on Figure 10, most projects are concentrated in the downtown, where the demand for apartments is relatively high. This concentration of housing in the downtown area corresponds with the City's land use policies to direct housing to areas which can accommodate residential uses, such as in downtown and along corridors, and which can provide an impetus to the commercial core.

Chart 47 shows the full range of new housing opportunities available in the future. These include condominiums, single-family homes, live/work spaces, artist lofts, and senior housing projects are also underway. Overall, these projects provide a wide range of housing to address the diverse needs of residents and furthermore assist the City in meeting its regional housing need requirements through Year 2005.

Chart 47: Residential Projects Proposed/Under Construction

Project Name	Zone	Туре	Total Units	Restricted Units	Afford- ability	Status
A. Anastasi Homes*	PD-5	С	66	0	UPPER	Construction
B. Brookfield Homes*	PD-5	С	70	0	UPPER	Construction
C. Bay Shore Place	PD-1	SF	51	0	UPPER	Acquisition
D. Knob of Naples	PD-1	SF	27	0	UPPER	Construction
E. Paragon Homes	PD-1	SF	15	0	UPPER	Entitled
F. Hilltop Apartments	R-4-N	А	160	0	MOD	Entitled
G. Stearns/Redondo	PD-17	SF	14	0	UPPER	Plan Check
H. Broadway Lofts	PD-30	L	40	10 mod	UPPER	Negotiating
I. Pike (Camden)*	PD-6	Α	850	0	UPPER	Negotiating
J. Block M*	PD-6	Α	556	0	UPPER	Negotiating
K. Long Beach Plaza	PD-30	Α	328	50 mod	UPPER	Negotiating
L. Atlantic Avenue	PD-25	Т			LOW	Planning
M. Renaissance Walk	PD-25	SF	40	10 low	MOD	Construction
N. East Village	PD-30	LW	63	63 mod	MOD	Varies

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Project Name	Zone	Туре	Total Units	Restricted Units	Afford- ability	Status
O. Grisham Comm.	R-3-T		92	92 low	LOW	Negotiating
P. Walker Building	PD-30	LW	46	0	UPPER	Plan Check
Q. Masonic Temple	PD-29	Α	72	0	UPPER	Entitled
R. Long Beach Bldg.	PD-29	S	63	63 very Iow	VLOW	Plan check
		TOTAL	2,553	288		

Source: Department of Planning and Building, City of Long Beach, 2000

Notations: SF = Single Family, A = Apartments, C = Condominium; T = Townhomes

L = Loft, S = Senior; LW = Live-Work

Proposed Projects

^{*} Located in the Coastal Zone

Site Suitability

Environmental constraints, infrastructure availability, and permitted densities of new residential development can limit the number of units that could potentially be built and constrain the ability to address a community's share of future housing need. Policies can also impact the ability to addressing the housing needs of special need groups. The following analysis addresses these potential constraints.

Infrastructure: The sites proposed to address the 1998-2005 Housing Element are suitable for development. The vacant sites and sites under development are not constrained by environmental issues that could limit development to the maximum allowable densities. The sites are not constrained by the availability of infrastructure, public services and facilities that may be needed to support that development. Therefore, the development potential that is mentioned is a realistic estimate.

Development Potential: Although the Zoning Code does not specify a minimum density for many districts, maximum densities are typically achieved in the R-4 zone and the PD 30 District. Examples include the following: (1) project at 2600 E. Pacific Coast Highway which totaled 63 units on 1.1 acre site; (2) project at 1500 E. Ocean Boulevard in the PD-5 zone which totaled 70 units on a 1.3 acre lot. A companion and twin project at 1400 Ocean has also been approved at maximum densities.

The vast majority of future affordable units are slated for the R-4, PD29 and 30 districts. Although relatively few higher density units have been built in recent years due to the recession, over 2,500 affordable apartments at high densities are located in these zones. Furthermore, given that projects are typically built at near maximum densities, the vacant sites in the PD29, PD 30, and R-4 zones are sufficient to encourage and facilitate the development of housing that is affordable to low and very low-income households.

Special Needs: Long Beach permits the siting of a range of special need residences in many residential and commercial zones. Most of the affordable housing in Long Beach is located in the R-4 residential districts,

other higher density planned development districts, and commercial areas. As shown earlier, there is at least 15 acres of vacant R-4-zoned land that is available for development to address the Regional Housing Needs Assessment. Altogether, sufficient sites exist to accommodate shelter for homeless persons.

Altogether, over 1,000 acres of land in Long Beach are zoned for R-4. Densities range from 30 to 108 units per acre. In the downtown and greater downtown areas, many blocks are ripe for recycling and zoned for higher density residential use. This does not include current businesses or warehouses, such as the former armory, which are suitable for conversion. Current R-4 zoned land and land in other institutional districts is therefore clearly sufficient to accommodate the City's unmet homeless shelter needs..

Credit Toward the RHNA

As stated earlier, SCAG originally assigned Long Beach a total Regional Housing Needs Allocation of 517 units, which was subsequently increased to 1,464 units when the City accepted reallocated units from the Gateway Cities Council of Governments. As noted in Chapter 2, the affordability targets for the City's RHNA are as follows: 45% of the units should be affordable to very low- and low-income households; 20% for moderate-income households, and 35% for upper-income households.

To comply with State law, Long Beach is statutorily required to identify sufficient residential sites which will be made available through appropriate zoning and development standards and with services and facilities needed to facilitate and encourage the development of a variety of types of housing for all income levels. The RHNA does not require the City to build housing per se, but rather to identify sufficient sites and development standards that would facilitate new construction.

Long Beach has sufficient sites and zoning to accommodate the RHNA. The more important question is how to facilitate the specific affordability requirements. As described in Chapter 3, land costs are the highest variable cost in development. Higher density developments typically yield a lower unit cost of land per new unit. Therefore, all other things being equal, the savings in land costs in higher density development should translate into greater savings and affordability for the consumer.

Given current land prices and sales prices of new homes, future sites for single family homes are assumed to be affordable only to upper income households. Although condominiums are typically affordable to moderate-income households in many communities, the higher cost of vacant land may preclude this option. For purposes of this analysis, both single-family homes and condominiums are considered affordable to upper income households, unless otherwise noted.

Apartments are generally assumed to be affordable to moderate-income households. However, in many cases, apartments can be affordable to lower

income households, particularly, if density levels are high enough to maintain lower per unit land costs. As shown in Chart 45, the average density of vacant sites for affordable housing permit an average a density of 49 units per acre. These densities are sufficient to facilitate the production of housing affordable to lower-income households.

In evaluating housing elements, the Department of Housing and Community Development requires cities to identify adequate sites for new housing development. In meeting this site identification targets, communities can credit housing units built since January 1998, future development potential on vacant or underutilized sites, and qualified substantial rehabilitation projects. This section documents the former two options; the third option is not feasible given the stringent requirements.

Affordability Levels of Credits

Upper Income. According to the Planning and Building Department, 107 single-family homes and 136 condominiums are in the planning or construction stage. Based upon the assumptions mentioned earlier, all 243 units are priced at market rate. In addition, Long Beach has several apartments slated for the downtown core. Because of the location and amenities, these complexes will offer 1,832 apartments and live/work units affordable to upper-income households.

Moderate Income. A significant number of apartment projects have been proposed. According to the City Planning and Building Department, 160 apartments, and 153 subsidized apartments and single-family homes are slated in the downtown. Additional vacant sites could yield additional 90 homes which, at a density of 18 to 25 units per acre, are considered affordable to moderate-income households. Taken together, the sites for moderate-income housing exceed the City's RHNA allocation.

Lower Income. A considerable number of affordable housing projects are currently on-line. As shown in Chart 46, a total of 102 housing units affordable to low-income households are currently under construction and 63 senior housing units affordable to very-low income households are under construction, for a total of 165 units. As shown in Chart 45, additional 1,358 low-income units could be built on vacant land at densities ranging from 36 units to 108 units per acre along major corridors.

Chart 48 summarizes a comparison of residential development potential versus the RHNA planning targets for 1998-2005. As shown below, the City has excess development capacity above its RHNA allocation as well as excess capacity for all affordability levels, including lower-income households.

Chart 48: Residential Development Potential versus RHNA

Income Category	1998- 2005 RHNA	Current Construction Credits	Land Capacity Credits	Surplus Capacity Credits
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	Targets			
Very Low	411	63		
Low	251	102	1,358	861
Lower	662	165		
Moderate	296	313	90	+107
Upper	506	2,075		+1,569
Total	1,464	2,553	1,448	

Sources: SCAG Regional Housing Needs Assessment

Department of Planning and Building, City of Long Beach, 2000

B. Financial Resources

The City of Long Beach has access to a variety of existing and potential funding sources available for affordable housing activities. They include programs from local, state, federal and private resources. The following section describes the three most significant housing funding sources currently used in Long Beach – CDBG, redevelopment set-aside funds, and HOME funds. Chart 49 summarizes these and additional funding sources available to support implementation of Long Beach's housing programs.

1. Community Development Block Grant (CDBG) Funds

Through the CDBG program, HUD provides funds to local governments for a range of community development activities. The eligible activities include, but are not limited to: acquisition and/or disposition of real estate or property, public facilities and improvements, relocation, rehabilitation and construction (under certain limitations) of housing, homeownership assistance, and clearance activities. In addition, these funds can be used to acquire or subsidize at-risk units. Long Beach receives \$1.5 million annually in funding for housing and community development activities.

2. Redevelopment Set-Aside

State law requires Long Beach's Redevelopment Agency (RDA) to set-aside 20% of tax increment revenue generated from redevelopment projects for activities that increase, improve, or preserve the supply of affordable housing. Affordable housing developed with tax-set-aside funds must remain affordable to the targeted income group for at least 15 years for rental housing and 10 years for ownership housing. The RDA generates \$4.5 million annually in tax increment set-aside funds. For the 2000-2005 period, annual expenditures include, but are not limited, to the following: HUD \$1 Home Program (\$920,000), East Village project (\$525,000), downpayment assistance (\$450,000), historical home relocation (\$210,000), Shelter Plus Care (\$160,000), North Long Beach CHFA debt (\$140,000), and various other programs. An annual surplus of \$2 million is accruing and will be earmarked for eligible affordable housing activities.

3. HOME Investment Partnership Program

Long Beach also receives an annual entitlement under the HOME program. HOME funds can be used for activities that promote affordable rental housing and lower-income homeownership, including but not limited to: building acquisition, new construction, reconstruction, moderate or substantial rehabilitation, first-time homebuyer assistance, and tenant-based assistance. A federal priority for use of these funds is preservation of the at-risk housing stock. A city must also provide matching contributions on a sliding scale: 25% local share for rental assistance or rehabilitation, 33% for substantial rehabilitation, and 50% for new construction. For the 2000-2005 planning period, the City of Long Beach is anticipated to receive \$4 million in HOME funds annually.

Chart 49: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities			
1. Federal Programs					
Community Development Block Grant (CDBG)	Grants awarded to the City on a formula basis for housing and community development activities.	Acquisition Rehabilitation Home Buyer Assistance Economic Development Homeless Assistance			
НОМЕ	Flexible grant program awarded to City on a formula basis for housing activities.	Acquisition Rehabilitation Home Buyer Assistance Rental Assistance			
Emergency Shelter Grants (ESG)	Grants awarded to City to implement a broad range of activities that serve homeless persons.	Shelter Construction Shelter Operation Social Services Homeless Prevention			
Section 8 Rental Assistance Program	Rental assistance payments to owners of private market rate units on behalf of very low-income tenants.	Rental Assistance			

Chart 49: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
Section 202	Grants to non-profit developers of supportive housing for the elderly.	Acquisition Rehabilitation New Construction
Section 811	Grants to non-profit developers of supportive housing for persons with disabilities, including group homes, independent living facilities and intermediate care facilities.	Acquisition Rehabilitation New Construction Rental Assistance
Section 203(k)	When rehabilitation is involved, a lender typically requires the improvements to be finished before a mortgage is made. This program provides a long-term, low interest loan at fixed rate to finance acquisition and rehabilitation of the property.	Land Acquisition Rehabilitation Relocation of Unit Refinance Existing Indebtedness
Section 108 Loan	Provides loan guarantee to CDBG entitlement jurisdictions for pursuing large capital improvement projects. Maximum loan amount can be up to five times the jurisdiction's most recent annual allocation. Maximum loan term is 20 years.	Acquisition Rehabilitation Home Buyer Assistance Economic Development Homeless Assistance Public Services
Mortgage Credit Certificate Program	Income tax credits available to first- time homebuyers to buy new or existing single-family housing. Local agencies (County) make certificates available.	Home Buyer Assistance
Low Income Housing Tax Credit (LIHTC)	Tax credits are available to persons and corporations that invest in low-income rental housing. Proceeds from the sale are typically used to create housing.	Construction of Housing
Shelter Plus Care Program	Grants for rental assistance that are offered with support services to homeless persons living with disabilities.	Rental Assistance Homeless Assistance Support Services

Chart 49: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
Supportive Housing Program (SHP)	Grants for development of supportive housing and support services to assist homeless persons in the transition from homelessness.	Transitional Housing Housing for the Disabled Supportive Housing Support Services
2. State Programs		
Emergency Shelter Program	Grants awarded to non-profit organizations for shelter support services.	Support Services
Multi-Family Housing Program (MHP)	Deferred payment loans for new construction, rehabilitation and preservation of rental housing.	New Construction Rehabilitation Preservation
California Housing Finance Agency (CHFA) Rental Housing Programs	Below market rate financing offered to builders and developers of multiple-family and elderly rental housing. Tax exempt bonds provide below-market mortgages.	New Construction Rehabilitation Acquisition of Properties from 20 to 150 units
California Housing Finance Agency Home Mortgage Purchase Program	CHFA sells tax-exempt bonds to make below market loans to 1st time homebuyers. Program operates through participating lenders who originate loans for CHFA.	Homebuyer Assistance
California Housing Rehab Program - Owner Component (CHRP)	Low interest loans for the rehabilitation of substandard homes owned and occupied by lower-income households. City and non-profits sponsor rehabilitation projects.	Rehabilitation Repair of Code Violations, Accessibility Improvements, Room Additions, etc.
Supportive Housing/ Minors Leaving Foster Care	Funding for housing and services for mentally ill, disabled and persons needing support services to live independently.	Supportive Housing Foster Care
Self-Help Housing	Provides non-profits with money for self-help construction supervision, loan packaging and homebuyer education.	Construction Supervision Loan Packaging Homebuyer Education
Downtown Rebound	Funding to facilitate infill development and conversion of commercial buildings for "live-work" spaces.	Rehabilitation Conversion

Chart 49: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
3. Local Programs		
Redevelopment Housing Fund	State law requires that 20 percent of Redevelopment Agency funds be set aside for a wide range of affordable housing activities governed by State law.	Acquisition Rehabilitation New Construction Homebuyer Assistance
Tax Exempt Housing Revenue Bond	The City can support low-income housing by issuing mortgage revenue bonds requiring the developer to lease units to low income families at specified rates.	New Construction Rehabilitation Acquisition
Pacific Housing Finance Authority	As a member of PHFA, prospective buyers will select homes purchased by PHFA, enter into a purchase agreement, and assume the home after 38 months.	Home Purchase
4. Private Resource	es/Financing Programs	
Federal National Mortgage	Fixed rate mortgages issued by private mortgage insurers.	Home Buyer Assistance
Association (Fannie Mae)	Mortgages which fund the purchase and rehabilitation of a home.	Home Buyer Assistance Rehabilitation
	Low Down-Payment Mortgages for Homes in underserved low-income cities.	Home Buyer Assistance
Savings Association Mortgage Company Inc.	Pooling process to fund loans for affordable ownership and rental housing projects. Non-profit and for profit developers contact member institutions.	New construction of rentals, cooperatives, self help housing, homeless shelters, group homes
California Community Reinvestment Corporation (CCRC)	Non-profit mortgage banking consortium designed to provide long term debt financing for affordable multi-family rental housing. Non-profit and for profit developers contact member banks.	New Construction Rehabilitation Acquisition

Chart 49: Financial Resources for Housing Activities

Program Name	Description	Eligible Activities
Federal Home	Direct Subsidies to non-profit and for	New Construction
Loan Bank	profit developers and public agencies	
Affordable	for affordable low income ownership	
Housing Program	and rental projects.	
Freddie Mac	Home Works - Provides 1st & 2nd	Home Buyer Assistance
	mortgages that include rehabilitation	combined with Rehabilitation
	loan. City provides gap financing for	
	rehabilitation component. Households	
	earning up to 80% MFI qualify.	

In terms of funds from the State of California to support affordable housing, the Governor recently signed the largest housing budget in the State's history for about \$500 million. The most heavily funded programs are as follows: Rental Housing (\$177 million), Community Amenities/Development Incentives (\$110 million), Ownership Housing (\$100 million), Farm Worker Housing (\$43 million), Emergency Housing Assistance (\$32 million), and Supportive Housing/Minors Leaving Foster Care (\$25 million).

C. Administrative Resources

Described below are public and non-profit agencies that have been actively involved in housing activities in the City of Long Beach. These agencies play important roles in meeting the housing needs of the City. In particular, they are critical in the improvement of the housing stock and the preservation of at-risk housing units in Long Beach.

Long Beach Housing Development Company (LBHDC): The LBHDC is a non-profit, public benefit corporation created by the City of Long Beach to aid in the support, financing and development of affordable housing based on needs identified, in part, by the Housing Element. The City advances money to the LBHDC from its Housing Development Fund for the production, improvement, or preservation of affordable housing throughout Long Beach.

Long Beach Housing Authority: The Housing Authority of the City of Long Beach receives funds from the federal Department of Housing and Urban Development (HUD) to provide Section 8 rental assistance to low-income individuals and families so that they can afford to rent decent, safe, and sanitary housing. As of May 2000, the Housing Authority administers nearly 5,000 Section 8 vouchers and certificates.

Long Beach Affordable Housing Coalition, Inc. (LBAHC): The LBAHC is a regional, community-based, non-profit provider of affordable housing. The Coalition develops and preserves single and multi-family housing through the use of tax credits, conventional financing and public/private grants. Currently, the LBAHC owns and operates over 200 units of quality, affordable multifamily housing in the larger Southbay areas, including numerous projects in Long Beach.

Habitat for Humanity, South Bay-Long Beach: Habitat for Humanity is a non-profit, ecumenical Christian housing organization which works in partnership with individuals, churches, companies, foundations and other organizations to build decent, affordable housing. These houses are then sold to very low income persons or families at no profit and with no

interest. Habitat houses are built entirely through hundreds of hours of "sweat equity" by volunteers and the future homeowners.

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D. Opportunities for Energy Conservation

Utility-related costs can directly impact the affordability of housing in Southern California. However, Title 24 of the California Administrative Code sets forth mandatory energy standards for new development, and requires adoption of an "energy budget." In turn, the home building industry must comply with these standards while localities are responsive for enforcing the energy conservation regulations.

The following are among the alternative ways to meet these energy standards.

Alternative 1: The passive solar approach that requires a significant amount of south-facing glazing, moderate-insulation level and large area of "thermal mass."

Alternative 2:Installing glazing with low coefficient of heat transfer and low coefficient of solar heat gain to reduce heat loss and heat gain loads.

Alternative 3: Generally requires higher levels of insulation than Alternative 1, but have little or no thermal mass or window orientation requirements.

Additional energy conservation opportunities include the following: (1) locating indoor areas of maximum usage along the south face of the building and placing corridors, closets, laundry rooms, power core, and garages along the north face; (2) installing higher efficiency heating and cooling equipment; and (3) air distribution duct systems attached to HVAC equipment should be designed to efficiently transfer heated or cooled air throughout the house. In addition, installation of the duct system with properly sealed joints should reduce wasted air exfiltrated to undesired areas, such as attics.

Local utility providers offer energy conservation assistance programs to City residents. Long Beach's Gas Department offers senior citizens and disabled persons reduced bills. Southern California Edison offers a variety of energy conservation services under the Low Income Energy Efficiency programs (LIEE), which help qualified homeowners and renters conserve energy and control

electricity costs. Services include weatherization, efficient lighting and cooling, refrigerator replacement, and energy conservation. In addition, Edison participates in the California Alternate Rates for Energy (CARE) program which provides a 15 percent discount on electric bills for low-income customers.

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